

Insurance Department

Bulletin 2010-1

TO:

All Property and Casualty Insurance Company Licensees

FROM:

Neal T. Gooch, Utah Acting Insurance Commissioner

DATE:

January 27, 2010

RE:

Utah Insurance Department's PIP Relative Value Study

Under U.C.A. 31A-22-307 the commissioner is charged with publishing a relative value study every other year for the purpose of determining the reasonable value of medical expenses provided in connection with the personal injury protection coverages and benefits.

During 2009 the Utah Insurance Department evaluated the methodology currently being used for the Personal Injury Protection Relative Value Study (PIP RVS). As part of that review, the department discovered significant problems with the values published in the 2009 PIP RVS book. As a result, the department is withdrawing the 2009 PIP RVS until a full review can be completed.

In the interim the department recommends that providers and payers who relied upon the 2009 RVS use one of two alternate methods to process claims:

- Use the 2007 PIP RVS Study; or
- Determine a "reasonable value" for medical services as described in U.C.A. 31A-22-307(2).

When our review is completed the department will notify the insurance industry as well as providers.

DATED this 27th day of January 2010.

Mal I. Buch

NEAL T. GOOCH, J.D.

Acting Commissioner